



Anti-bribery and Foreign Corrupt Practices Act Policy

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Table of Contents

Scope and Purpose	1	
FCPA Overview.....	1	
Penalties and Enforcement	5	
Audit of Activities.....	5	
Other Compliance Procedures.....	5	
Questions, Concerns and Reporting.....	5	
Contact Information.....	6	

Scope and Purpose

This policy sets forth the Company's expectation of full compliance with the Foreign Corrupt Practices Act ("FCPA") and all other applicable anti-corruption laws in effect wherever the Company does business. This policy applies to all operations of the Company around the globe, including all divisions, subsidiaries, and affiliated companies. This policy applies to all employees, directors, officers, agents, consultants, representatives, distributors and joint venture partners (all deemed to be "Company Representatives") of the Company.

It is the unalterable policy of the Company to conduct Company business legally and ethically, including fully complying with the provisions of the FCPA and all similar laws. Compliance with this policy is mandatory. No Company Representative has the authority to act contrary to the provisions of this policy.

While the specific requirements of laws enacted in countries other than the United States (such as Canada's Corruption of Foreign Public Officials Act, and the U.K.'s Bribery Act) are not described in this policy statement, all Company Representatives operating outside of the United States must understand the provisions of all local anti-corruption laws and fully comply with them in addition to complying with the FCPA.

This policy is not a detailed explanation or recitation of all the specific provisions of the applicable laws related to bribery and corruption, nor is it an exhaustive list of activities that could potentially affect the reputation and goodwill of the Company. It is intended, rather, to supplement and clarify the Company's rigorous rejection of illegal and unethical payments as already set forth in *Policies on Business Conduct*. This policy should be read in conjunction with the Company's *Policies on Business Conduct*, the receipt, review, and acceptance of which are required to be acknowledged by all salaried employees (including directors) at hire

and thereafter on an annual basis. With the initial and annual acknowledgments, each employee agrees that he or she must conduct himself or herself in accordance with the policies described in the Company's *Policies on Business Conduct*, and must disclose any current or future conflicts of interest or violations of Sonoco policies that come to the employee's attention. Any questions or concerns regarding proper business conduct, or reports of policy violations, should be directed to your supervisor, Company counsel, or the Business Conduct Hotline. Retaliatory action against any employee for reporting such concerns will not be tolerated.

Doing business ethically is a core value for the Company, and the Company is fully committed to fair and honest business practices in all of the locations in which it operates.

FCPA Overview

The FCPA makes it unlawful to pay, offer, promise, or authorize the payment of "anything of value" to any "foreign official" (including an officer or employee of a government or any related department or government-owned enterprise, and spouses and immediate family members of such officials) to help obtain or keep business or secure some other improper business advantage.

Foreign Official

The term "foreign official" is broadly defined in the FCPA. It means any officer or employee of a non-U.S. government or of any department, agency, or instrumentality thereof, or of a designated public international organization, or any person acting in an official capacity for or on behalf of any such government or department, agency, or instrumentality, or for or on behalf of any such public international organization. Public international organizations, for purposes of the FCPA, are designated from time to time by Executive Order of the President of the United States.

The current list includes the United Nations, the World Bank, the International Monetary Fund, the International Red Cross, the World Trade Organization, and many other organizations.

Foreign officials include employees and representatives of non-U.S. government departments or agencies, whether in the executive, legislative, or judicial branch of a government, and whether at the national, state, or local level. Foreign officials also include officers and employees of companies under non-U.S. government ownership or control, such as national oil companies.

The basic FCPA prohibitions also apply to any non-U.S. political party, party official, or candidate for political office. The FCPA does contain a “safe harbor”, which expressly allows a company to pay the reasonable and legitimate expenses of a non-U.S. official, such as transportation, lodging and meals, so long as the purpose of the trip is for:

- a) the promotion, demonstration, or explanation of products or services; or
- b) the execution or performance of a contract with the host government.

The prohibition on payments to “foreign officials” as defined above, applies whether the offer or payment is made directly or through another person. The statute prohibits not only payments to public officials, but also offers or promises, even if never fulfilled. Such prohibited payments or offers can be direct or indirect through a third party. Payments are not limited to money, but can include anything of value, including non-monetary gifts, trips, excessive entertainment and other forms of non-cash favors, as well as gifts to foreign charities.

Facilitation Payments

There are some very limited exceptions to these restrictions, and the exceptions are narrowly interpreted. For instance, the FCPA grants a narrow exception for “facilitating payments” made to secure certain routine government actions or

“grease” payments made to secure routine governmental actions that are non-discretionary. However, these payments are not legal in most countries around the world. For example, the U.K. Bribery Act of 2010 contains no exception for facilitating payments.

The Company prohibits facilitating payments except in rare circumstances. Any proposal to make a facilitating payment must be endorsed by the Law Department in advance, and the Law Department endorsement will only be provided in circumstances in which the payment would be legal under all applicable laws. Similarly, contractors are required to comply with all applicable laws and are not authorized to make facilitating payments while carrying out work for the Company where prohibited by applicable law.

The Company prohibition on facilitating payments does not apply to payments that are made in the face of a threat to the health or safety of an employee. A demand by a government official for a payment that is accompanied by a physical threat is extortion, and a payment in this case would not be considered a facilitating payment. Nevertheless, such a payment should be reported to Management and the Law Department, or through the Business Conduct Hotline as soon as possible.

Both facilitating and extortion payments, regardless of amount, must be properly recorded in the Company’s books and records.

Agents, Third Party Service Providers, and Intermediaries

The Company has set forth a separate Third-Party Intermediary Due Diligence Policy. This section is intended to supplement and encapsulate key points from that policy to emphasize that Sonoco and its TPIs conduct their activities ethically and in compliance with all applicable laws and codes. Sonoco will not take actions indirectly through a third-party that it may not take directly, as Sonoco may be held responsible for the actions of its TPIs.

Doing business ethically is a core value of the Company, and the Company is fully committed to fair and honest business practices in each of the locations in which it operates.

Company Representatives working with agents and other third parties should pay particular attention to unusual or suspicious circumstances that may indicate possible legal or ethical violations, or that may increase the possibility of unethical activity. Agents or other third parties should be approved by a general manager or vice-president of the applicable region or business unit.

Under some circumstances a company or a person may be liable for a payment made by a third party acting as an agent, intermediary, or otherwise on behalf of the company, such as a consultant, contractor, distributor, customs agent, or joint venture participant acting on the company's behalf, in dealing with a government official, even if the company or person did not actually know the payment would be made. For example, some anti-corruption laws may impose liability on the company for a payment made by a contractor acting on the company's behalf merely based on a company employee's awareness of facts that indicate a "high probability" that the contractor will pass through all or part of a payment to a government official for an improper purpose. Failure to act when such warning signs are present may be interpreted as "willful blindness."

Warning signs or "red flags" may indicate that further investigation is warranted when selecting or working with a third party. The following are some examples:

- The country in which the third party is active or a resident or incorporated has a Corruption Perception Index (CPI) score below 50 on the most recent Transparency International CPI (such country being a "high risk country").
- The identity, background, reputation, or

commercial history of the prospective third party is unknown to the Company.

- The third party has been directed to the Company by a customer or end user from a high-risk country.
- The company knows or suspects that the third party, any senior personnel that the third party employs or any individuals or entities by whom the third party is owned, controlled or managed, has been involved in illegal or unprofessional conduct or activity or has been accused or convicted of such involvement.
- The third party refuses to address questions about its relationships with government officials or to incorporate anti-corruption provisions into its contracts or other agreements.
- The third party uses suspicious accounting and financial techniques, including shell companies, payments to third-country banks, suspicious or deceptive invoices, payments in cash or cash equivalents.
- The third party lacks sufficient experience to perform the activities for which it was engaged or has offered to perform.
- The third party was referred to the Company by a customer or a government or public official.
- Circumstances exist which give rise to a reasonable (though unproven) suspicion that the third party lacks integrity, is not acting honestly or in good faith or that, by way of association with the third party, the Company's reputation would be detrimentally affected.

The most important step that can be taken to reduce the risk of improper payments by others is to choose carefully when selecting business associates, including agents, consultants, and contractors who will act as intermediaries, and to identify in advance any potential anti-corruption issues that a proposed relationship may raise. This process, commonly referred to as "anti-corruption due diligence," is designed to provide Management with a basis for making a decision to proceed with the transaction in the good-faith belief that the intermediary will not make any improper pay-

ments while conducting Company business. In the event Management cannot reach this good faith belief, then the transaction should not go forward.

The Company will conduct anti-corruption due diligence prior to engagement of any Third-Party Intermediary that includes, at a minimum (i) an initial internal risk assessment and (ii) completion of a due diligence questionnaire.

Based on the answers to the questionnaire, additional due diligence may be required, as determined on a case-by-case basis by the Business Unit Leadership and Corporate Counsel office. Such additional due diligence is outlined in the Escalation Process in the Third-Party Intermediary Due Diligence Policy. The amount of time and effort required for anti-corruption due diligence will depend on the number and complexity of the issues raised during the due diligence investigation.

Appropriate due diligence steps may include:

- Gathering and evaluating information about the entity and its owners and directors, including background, reputation, qualifications, and financial information;
- Assessing any relationship with a government official;
- Requiring strong commitments to comply with anti-corruption laws;
- Verifying charges and fees are legitimate and market-based; and
- Following up on unusual circumstances or warning signs.

Gifts to Foreign Charities

The Company actively supports various charitable and educational causes in the countries in which it operates as matter of good corporate citizenship. In some cases, the recipients may be individuals, as with scholarships or training grants. In other cases, contributions may be made to charitable organizations which are supported or spon-

sored by local government officials in many countries. It is important to exercise care in selecting reputable charitable organizations and recipients and to gain assurance the funds will be used for the purpose intended and will not improperly benefit a government official.

- Gathering information about corporate status, such as not-for-profit, and any local legal requirements for such entities;
- Identifying shareholders, directors, and officers;
- Assessing any relationship with a government official;
- Requiring strong anti-corruption commitments;
- Gathering references on reputation and performance;
- Verifying that the charity has proper governance and accountability systems;
- Requiring a budget for the use of the contribution or grant; and
- Following up on unusual circumstances or warning signs.

Some examples of proposals for charitable contributions that should be reviewed with the Law Department are set out below.

- The Company is asked to contribute to a local foundation for underprivileged children, and the First Lady of the country is on the Board of Directors;
- The Company proposes to provide scholarships to colleges in the United States for qualified high school students in a country in which the Company has business operations;
- The Company is asked to sponsor a major sporting event overseen by the local government; and
- After approving a contribution to a specific charity, the Company is asked to make payment to a different entity.

The Law Department is available for advice in advance of making a charitable donation to a charity or individual.

Maintaining Accurate Books and Records

In addition to prohibiting improper payments to foreign officials, the FCPA requires the Company to keep accurate books and records of the transactions in which it engages, and to maintain a system of internal controls that, among other things, can prevent “slush funds” and “off-the-books” accounts that might be used to facilitate or conceal questionable foreign payments. Thus, the FCPA prohibits the mischaracterization or omission of any transaction on our books or any failure to maintain proper accounting controls that result in a mischaracterization or omission. Accordingly, covering up a transaction that violates the FCPA by mischaracterizing it on the books is itself a separate violation of the FCPA. Importantly, the FCPA accounting requirements apply to all business activities, not just those involving foreign officials.

Penalties and Enforcement

Penalties for violating the FCPA can be severe, and they can apply to both the Company and to the individuals involved. Corporations are subject to criminal fines of up to US\$2,000,000 and civil fines up to US\$10,000 per violation. An increasingly large number of companies have settled FCPA charges for amounts in the hundreds of millions of dollars. The costs of defense and compliance can also reach substantial levels. Individuals are subject to criminal fines up to US\$100,000, imprisonment for up to five years, or both. Individuals are also subject to civil fines up to US\$10,000. These sanctions are in addition to potential reputational damage and investigation and defense costs, which may arise even without a formal government prosecution. Violations of the FCPA are not covered by Directors and Officers Insurance and individuals cannot be indemnified by their employer for such violations.

The Company takes its obligation to comply with the FCPA and similar laws very seriously. Accord-

ingly, Company Representatives who fail to follow this Policy and its intent, whether expressly stated in this Policy or otherwise, may be subject to disciplinary action, including dismissal where warranted.

Audit of Activities

The Company’s Internal Audit Department will be responsible for conducting periodic risk assessments, surveys and direct audit procedures to determine compliance with this policy.

Other Compliance Procedures

All acquisition targets will be subject to reasonable due diligence procedures to allow the Company to make an assessment as to the targets’ compliance with the FCPA and similar laws. The Company will provide periodic FCPA training and education opportunities to employees and require that certain levels of management participate (including, but not limited to, the management executive committee and all other officers of the Company).

Questions, Concerns and Reporting

Any questions or concerns about the policy or how to comply with it should be directed to the Company’s legal counsel. Any Company representative who believes that the Company or a Company representative is acting in violation of the FCPA should report the concern and potential violation to his or her supervisor, the Company’s legal counsel, or through the Business Conduct Hotline (reports via the Business Conduct Hotline may be reported anonymously and in confidence).

Contact Information

Company counsel

John M. Florence
1 North Second Street
Hartsville, SC 29550
email: john.florence@sonoco.com

Business Conduct Hotline

1. To connect by telephone, call the number below that corresponds to your location:

Country	Line Type	Hotline Number	Language Option #1	Language Option #2	Language Option #3
United States	US Dialing Plan	844-705-9179	English	Spanish (LA)	
Brazil	One-Connect	0800-724-8369	Portuguese (BR)	English	
China	One-Connect	400-120-4128	Mandarin	Cantonese	English
Germany	One-Connect	0800-1818959	German	English	
Indonesia	One-Connect	007-803-321-2111	Indonesian	English	
Malaysia	One-Connect	1-800-81-3809	Malay	English	
Mexico	One-Connect	800-681-6923	Spanish (LA)	English	
Poland	One-Connect	0-0-800-141-0319	Polish	English	
United Kingdom & Northern Ireland	One-Connect	0800-069-8772	English		

All other locations

+1 770 810 1147

(Request that the local telephone operator place a reverse-charge call to the United States)

2. To connect through the internet, visit www.sonoco.ethicspoint.com and submit a report electronically.

Both options provide anonymity.

This reporting service is available 24 hours a day, seven days a week.